



**Metro District Energy System Advisory Board  
Regularly Scheduled Meeting of  
November 20, 2008**

**Minutes of Meeting**

**The meeting was held at the Energy Generation Facility at 90 Peabody Street Nashville, TN 37210**

**Facilitator:** Harry Ragsdale, DES Project Contract Administrator, and TEG Staff as Assigned

**Board Members Present:**

Phil Ryan  
Tom Thompson  
Thomas Turner  
Karen Bennett  
Joe Sweat

**Board Members not Present:**

Charles Harrison  
Richard Riebeling  
Nancy Whittemore  
Yuri Cunza

**Others Present:** Kevin Jacobs, Joe Hooper, Tim Hestle, Mary Ann Queen, and Michael Bradley

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The meeting began at 10:05 A.M.

At the request of Mr. Bradley, Mr. Ragsdale proceeded with the presentation to the Board.

Mr. Jacobs and Mr. Ragsdale reviewed with the Board the operations data for Steam and Chilled water production. The contractor is in compliance with the operating terms of the contract. Mr. Jacobs again discussed the "color coding" assigned to each performance area in order to assist the Board members in understanding issues related to levels of performance.

Mr. Jacobs reviewed information on the operating contractor performance, and discussed the results of the monitoring activities. There was some discussion of the performance guarantees. A review was given of the steam and chilled water production performance measures, as well as electric and water conversion performance measures.

Mr. Ragsdale reviewed the customer cost comparison information for the past 12 months. Aggregate steam costs were down by 7.25 while the aggregate chilled water costs were up by 1.3%. Mr. Jacobs and Mr. Ragsdale reviewed the conversion tables for electricity, steam, and water, as well as the plant efficiency. The contractor's performance is excellent in all of these areas. There was some discussion regarding the levels of iron in the water and the treatment applications being applied by the contractor. Mr. Ragsdale indicated that this was being monitored to ensure the levels were in acceptable ranges.



Mr. Jacobs then reviewed the results of the inspections of both the Energy Generation Facility (EGF) and the Energy Distribution System (EDS). Areas of focus included: equipment maintenance, operations, electrical systems, housekeeping, structure, grounds, and safety items. It was noted that there was work necessary on some pipe insulations and handrails in the several manholes.

Mr. Ragsdale presented information to the Board on natural gas purchasing and the cost of fuel through the first quarter of the fiscal year. DES remains under its budget through end of the quarter.

Financial reports and Capital projects were then reviewed with the Board.

There was some discussion lead by Mr. Jacobs regarding the Thermal Inefficiency Fuel Surcharge (TIFS) and the customers who were paying these surcharges because of their inability to return chilled water at the contractual limits. Mr. Ragsdale then commented on the plans for the New Convention Center, and stated that DES had the capacity to provide service and should receive a return on the capital investment if the facility is placed on DES service. No final decision has been made at this time on the DES service to the facility.

The Board elected Councilwoman Karen Bennett as Chair of the Board. Mr. Tom Thompson was elected as Vice-Chair. Both elections were by unanimous vote of the Board.

The minutes of the following Board Meetings were approved by the Board:

August 21, 2008  
May 15, 2008  
February 21, 2008  
November 15, 2007  
August 16, 2007

Mr. Ragsdale noted that the Five Year Anniversary event was being planned for January 16, 2009 at the EGF. Board members will receive an invitation to the event.

Without further discussion the meeting was adjourned at 11:15 A.M.

The next Board Meeting will be held Thursday, February 19, 2009 at 10:00 A.M.

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Prepared by: \_\_\_\_\_

Michael Bradley , Liaison

Approved: \_\_\_\_\_

Chair, DES Advisory Board

Date: \_\_\_\_\_

Date: \_\_\_\_\_